

## COMMITTEE ON FINANCE

**April 25, 2006**

**7:00 PM**

Vice-Chairman Gatsas called the meeting to order.

Vice-Chairman Gatsas called for the Pledge of Allegiance, this function being led by Alderman Roy.

The Clerk called the roll. There were twelve Aldermen present.

Present: Aldermen Roy, Gatsas, Long, Duval, Osborne, Pinard, O'Neil, Lopez, Shea, Garrity, Thibault and Forest

Absent: Aldermen DeVries and Smith

Messrs.: Mayor Guinta, Robert MacKenzie, Barbara Vigneault, Martin Boldin, Welfare Commissioner Paul Martineau, Kevin Clougherty

Vice-Chairman Gatsas advised that the purpose of the meeting was discussions relating to the proposed FY2007 budget as follows:

Vice-Chairman Gatsas stated we're going to let the Mayor go first. Thank you.

### **b) Office of the Mayor:**

Mayor Guinta stated thank you for the indulgence. I've been asked to prepare a sheet for the Board of Aldermen regarding the impact of the budget that I proposed in my office and the scenario of a 3% reduction over FY06, so I have handed out a sheet for you. I can go through the '07...if you looked at the bottom line that would be a \$269,231, which is a reduction from FY06 of \$292,190. The 3% reduction from FY06 would actually give me more money at \$283,424. I've identified some areas where those reductions or changes would be taken from. If you just look at the Salary line item from FY06 to FY07 our Salary line item is a little bit less; we don't require as much salary as was required last year. So, as a result the Health, Dental and Life and Comp/Disability and FICA would all be a bit less. The other changes are in the 0532 line (Postage) was increased by \$150 to \$500 as a result of postage increase...Printing was changed from \$2,000 to \$800, Mileage was increased from \$50 to \$710 as a result of the mileage for Craig Smith in my office to perform lobbying services up in Concord, but we reduced

\$12,000 to \$15,000 that came out of Finance, I believe, for the private lobbyist. We did increase general supplies from \$1,100 up to \$1,290. So there is a total overall reduction from '06 to my proposed '07 by the amount of \$22,959. If we did go with the 3% reduction that would actually give me somewhat of an increase of about \$14,000.

Vice-Chairman Gatsas stated remember, Mayor, we're going to take 3% off your number.

Mayor Guinta stated well I haven't prepared that but if you'd like me to I can certainly do that.

Vice-Chairman Gatsas stated if your number is less than '05 then I guess are there any questions?

Alderman Shea asked did I hear you correctly that you don't want to stick to your budget rather than the 3%.

Mayor Guinta stated no I'd prefer actually my budget as much as I appreciate the 3% reduction that would certainly provide more flexibility to my office but based on the projections for '07 we can live with it.

Alderman Lopez stated, Mayor, I've noticed that you've increased Postage from \$350 to \$500 and we're finding that in most of the budgets where postage has been decreased so can you live with \$350?

Mayor Guinta replied instead of the \$500.

Alderman Lopez stated yes.

Mayor Guinta stated I can compromise that on that and say yes...I'll do my part.

Vice-Chairman Gatsas stated I just hope that you're not looking for those nickels in the Aldermen's budget.

Alderman Lopez stated other people same thing.

Alderman Roy stated we could definitely go to the Aldermen's budget for some cuts.

Mayor Guinta stated oh by the way I think one of the Aldermen told me the only people in the City last time who got a pay cut were the Aldermen. I comment the Aldermen for taking that pay cut last budget.

Alderman O'Neil stated, Mayor, you were an Aldermen then yourself.

Alderman Roy stated, Mayor, I enjoyed your talk this morning on the State of the City and it seemed like you put out a pretty good olive branch to the Aldermen to work with you on the budget and tonight you're here in front of us but did I just hear you correctly I wasn't going to ask you any questions because you have made some cuts to your department...did I hear you correctly to say that you could take 3% off of your budget when Alderman Gatsas asked you that?

Mayor Guinta replied quite frankly I'll live with whatever the Aldermen provide so long as they feel it's an appropriate reflection of the Office of the Mayor and if the will of this Board is a 3% reduction from my request which is already at a \$23,000 cut over FY06 we'll do everything we can to make that happen...that would certainly be part challenging than the cut that I've already provided.

Alderman Roy stated you're setting a nice tone for our department heads to follow.

Vice-Chairman Gatsas stated, Mayor, I commend you because it's less than the '05 budget never mind the '06...you're \$6,000 less than the '05 budget.

Alderman Duval stated, Mr. Chairman, I hope this isn't a knee jerk reaction on my part by this is the Mayor's Office we're talking about and I'd be happy to make a motion that we accept the Mayor's budget as presented right now, tonight.

Alderman Long stated I'll second that.

Vice-Chairman Gatsas no you can't.

Alderman Duval stated for his office, for his department. I'm only saying that because I believe that he has put his best foot forward in trying to approach the Board in the right manner and I think in consideration of that and the fact that you pointed out so eloquently, Alderman Gatsas, that he's going back to the '05 level that it wouldn't bother me a bit and I think it's well justified.

Vice-Chairman Gatsas stated I certainly don't have a problem you making that motion when we have the "Blue Sheet" of paper because that's when we'll build a budget for the Aldermen. So, I'll let you make that motion when you get the blue piece of paper in front of us and I'll put your name on the top of this so that we understand that, how's that?

Alderman Duval replied sounds good.

Vice-Chairman Gatsas asked are there any other comments.

Alderman Lopez replied just a comment. We must remember the Mayor's Office also has the ability of every department in the entire City to do anything that the City laws require. First, other department's don't have that capability to have staff come in and do things...not that I'm saying there's anything wrong with his budget of \$269,000 or whatever the case may be but you have to remember that the Mayor's Office when the Mayor is the CEO of the City so he has all staff available to him anytime he wants.

Vice-Chairman Gatsas stated, Alderman Lopez, be careful where you're going with the CEO because the CEO obviously has presented us a budget. So we're either stockholders...is that what you're telling me...are we the stockholders that we can change that budget. Mayor, thank you for your budget.

Vice-Chairman Gatsas requested Planning approach.

**a) Planning and Community Development:**

Mr. Robert MacKenzie, Director of Planning and Community Development, stated I had previously submitted to the Committee a fairly simple two-page listing. One was a bulleted memo, which identified the potential impacts and secondly was a small spreadsheet, which I presume you, all have. The essence of our budget is that we would have a base budget which ways that basically we have minimal expenses and all of our existing staff would be \$999,000. The Mayor's proposed budget was \$25,000 less than that...part of that would be cuts to expenses and part of that would be cuts to salaries and benefits and the #5 cut would be \$84,000 less than that base line budget. In terms of the Mayor's budget we basically cannot take a hit anymore on our expense budget. We are down now to this fiscal year we've already spent \$10,000 out of our \$15,000 expenses that goes to basic things (i.e., paper, copying, postage, telephone). In the Mayor's budget there was roughly \$5,000 taken out of that operating budget, which basically won't get us through the year on just basic minimum items. The \$20,000 would be shy in the salary and benefits package. Again, I have gone and spoken with all of our staff...there is nobody anticipating either retiring or resigning for next year so that I would anticipate then that if nobody left that we would be shy that \$20,000 and at some point mid-year we would have to come back to the Board and ask them for the funds if they're available in the Salary Adjustment budget. Under the 3% cut proposal we would be \$85,000 shy and that would, in essence, mean we would have to layoff one to one-and-a-half staff people. Our core staff is 11 staff people, about a third of that deals with growth management issues; it's the Planning

Board, the Millyard Design Review Committee, and the Heritage Commission. About a third of the staff deals with the CIP Program and the other third deals with special projects...long-range planning and covers administration of our staff. I did provide the board a quick listing of fiscal year '07 goals and special projects and I'd be happy...there's actually 12 this year...did everybody get that, a one-page listing? It was handed out tonight it was not in the package. If anybody has questions of those I would be happy to answer of those. There are some important projects on here from implementing the Downtown Strategy from Hillier, Neighborhood Revitalization Planning in a number of areas, Workforce Housing, Jobs Corps Center for the City potentially. At this point, I would be happy to answer any questions. I would note that tonight with me is Judy Heminger she's our budget person and a number of other different duties in our department.

Alderman Shea stated a quick question, Bob. Do you have anyone in your department on a vacancy list that you have sent in an appropriation for last year that it hasn't been filled?

Mr. MacKenzie replied no. All of our positions are filled.

Alderman Shea stated so you have no one.

Mr. MacKenzie stated we have no requests in.

Alderman Shea stated there has been no unfulfilled requests from the '06 budget.

Mr. MacKenzie stated that is correct.

Alderman Thibault stated the Urban Ponds Restoration Coordinator...are you saying here that this has been taken out by you now that the funding has ended for that and you in your department taken this then.

Mr. MacKenzie stated it's been run for about six years...it was mostly funded from the City's CSO Program, it has been useful for urban ponds and stream bank restoration. I did request funding in it to the Mayor. He basically did not approve that, so I presume that the Board was not going to fund that position. So, it is not in the base budget of \$999,000.

Alderman Thibault stated all I can say is that in all of the departments of the City that I go around to and I do go around quite often I find your operation quite strict and adhere to the problems of the City and I want to commend you on that.

Mr. MacKenzie stated thank you very much, Alderman.

Alderman Roy stated, Bob, you may have mentioned it but I want to ask you specifically...the discussions on the 4% vacancy that the Mayor has asked department heads to manage their departments by...when have you had a 4% vacancy...I know you don't have a very large staff. Have you ever had a 4% vacancy rate?

Mr. MacKenzie replied since we have 11 people we occasionally have a person go that would be a 10% vacancy rate...it's relatively rare, we try to keep full staff. We do have a position that's funded (temporarily) in the CIP Program to help the Planning Board with the Master Plan, so we did just fill that about eight months ago but that's a limited term and will be gone in 18 months.

Vice-Chairman Gatsas stated, Mr. MacKenzie, I'm working off the sheet that's in the big book...so everybody knows where I'm at. In your line item that says Worker's Comp and CGL you show a number of \$3,843...so I look at the big book and it tells me that the department's request for Worker's Comp was \$10,705, it tells me that the CGL number \$3,843...those two total up to \$14,548. You're only showing in your request \$3,843.

Mr. MacKenzie stated those particular numbers we have no control over...those are automatically put in by someone other than us...both Worker's Comp and CGL are numbers given to us, we do not calculate that number.

Vice-Chairman Gatsas stated right but when I look at these numbers you requested \$1,117,880 and the request on your white piece of paper \$1,040,772...which did you request?

Mr. MacKenzie replied the difference there was one of the people that came through on a report, on our personnel report was actually the one I just talked about...Special Projects Planner working on the Master Plan...is essentially all funded through the CIP Program, so it does not hit the operating budget. So, if you take that \$1.1 million and you subtract that budget number of about \$65,000 for that position.

Vice-Chairman Gatsas asked and benefits?

Mr. MacKenzie replied and benefits.

Vice-Chairman Gatsas asked which is how much?

Mr. MacKenzie replied in total about \$65,000.

Vice-Chairman Gatsas stated benefits and wages.

Mr. MacKenzie replied yes.

Vice-Chairman Gatsas asked are there any other questions?

Alderman Lopez replied just one...\$973,719 you can live with that according to your document but you'd be \$25,000 short during the year, is that correct?

Mr. MacKenzie replied yes. By mid-year if nobody has either resigned or retired then we will be in a bind and if the Aldermen did not provide a Salary Adjustment I would have to layoff somebody mid-year.

Vice-Chairman Gatsas stated so the statement is you could live with the \$973,719, is that what I heard?

Alderman Lopez stated yes...that would leave him short \$25,000 but during the year it's possible that somebody would retire or change jobs or whatever the case may be but if everything remained the same at the end of the year he'd be short about \$25,000 which would be adjusted to the Salary Adjustment account.

Vice-Chairman Gatsas stated I'm going to help you out a little bit more. I'm going to take that \$973,719 and from that I'm going to subtract \$10,705 which comes out and that's \$963,014...the \$10,705 if you add the Worker's Comp...you saw in Worker's Comp there was no actual expenditure in '06, no expenditure in '05...so I took your CGL and used that as both your Comp and your CGL figure because you're going to spend either any of that in '05...I deducted \$10,705...have you got that.

Alderman Roy stated I guess this would be a question for Bob or the Finance Department but my understanding is those are not numbers that a department head in his budget is allowed to adjust. Bob, are you given those and are put in your budget like it or not.

Mr. MacKenzie replied yes. Those two items so I don't know exactly who puts those in or how they're distributed through the department, so I have no particular issue if you take those two out.

Alderman Roy stated okay I'll stop you there. We had Mr. Ntapalis in front of us last night answering similar questions and while I'll direct it more to the Finance Director...can we change those numbers either arbitrarily or through a plan?

Mr. Kevin Clougherty, Finance Officer, replied as was explained last evening by the Risk Manager he receives an actuarial report and based on the trend

information that he has he assigns those dollars to the respective department and he's trying to provide with that distribution amount equal to what the actuary has given him as a forecast to keep the fund solvent and information about what the different claims have been.

Alderman Roy stated so in the case of Planning where they've managed their Worker's Comp issues...there's no reward to the department year-to-year.

Mr. Clougherty replied there hasn't been.

Alderman Shea asked did you remove or did you suggest the removal of \$10.383 million or \$10 million.

Vice-Chairman Gatsas stated if you're taking \$10 million out Mr. MacKenzie going to another job.

Alderman Shea stated \$10,000 excuse me...\$10,705 or \$10,383.

Vice-Chairman Gatsas replied \$10,705.

Alderman Shea stated well that's what he proposed but if we're following the Mayor's budget he put in \$10,383.

Vice-Chairman Gatsas stated I'm doing the deduction from their line item and that's the actual number that was put in by Risk.

Alderman Shea stated if you're using the Mayor's budget, the actual number he put in...

Vice-Chairman Gatsas stated no I wasn't using the Mayor's budget.

Alderman Shea stated if he agrees to the Mayor's budget then you're removing \$10,705 but you're removing \$10,383...it's a minor point but just a point of clarification.

Vice-Chairman Gatsas stated I just used the number that he said he could live with. He said he could live with \$973,719.

Alderman Shea stated but if you subtract \$10,705 he's living with a little bit less than what the Mayor's budget is proposing be removed.

Vice-Chairman Gatsas stated only because if you take a look in the Mayor's budget he's using only the CGL number himself...there's no Worker's Comp

number in there. I don't know if it was a transposition or what it was but the Mayor's using the same number...when you get to the \$973,719 he doesn't have Worker's Comp in there.

Alderman Roy asked what do you have for the bottom line?

Vice-Chairman Gatsas replied \$963,014.

Vice-Chairman Gatsas stated thank you very much. We'll be prepared to see your yellow sheet next week and if you can think of any other revenues we'd appreciate your accompanying the yellow sheet with those next week.

Mr. MacKenzie asked may I ask what the yellow sheet it?

Vice-Chairman Gatsas replied the yellow sheet is...we're going through each department, discussing their budgets and then giving them another opportunity to come before us to see if there's any additional revenues or any other cuts after you've left here that you think you might be able to find...that will be the second round...you'll have a 15-minute opportunity...that's going to start the week of the 8<sup>th</sup> (May).

Mr. MacKenzie stated okay, thank you.

Vice-Chairman Gatsas stated so maybe during that week's process that you may find some other places that you may be able to cut.

Alderman Roy stated just a comment more than anything else...in the electronic version of the Mayor's recommended budget there is a \$10,384 Worker's Compensation line item so I would ask the Finance Officer just to look at what was given out electronically and what was printed in the budget book and get back to us as for inconsistencies.

Vice-Chairman Gatsas stated I'm using the budget book.

Alderman Roy stated we still have the same bottom line, which is troubling to me.

Vice-Chairman Gatsas stated that's why I'm using this book and I didn't add that up.

Alderman Roy stated the totals at the bottom of both of our pages are the same except you don't have a...on that you have the number...there was a problem on the department.

Vice-Chairman Gatsas stated I think what you're going to find is that that's in benefits.

**c) Senior Services Department:**

Vice-Chairman Gatsas stated you saw how quick they got out without an overhead, they got out pretty quick. It's your choice.

Ms. Vigneault stated we're such a small department we thought you might enjoy a little show.

Vice-Chairman Gatsas stated just remember you may show and tell too much.

Ms. Vigneault stated as you are aware we are a small department. We have a total of, including myself of four staff people and we provide a number of programs and once we get the computer going for you we can explain some of the things we do and what pays for what. We put together an Excel spreadsheet for you for the budget presentation and a comparison with the Mayor's recommended budget...the FY06 budget and the FY06 with the 3%. The increase in the FY07 request was a requested new position. Since we are having an increase in the number of seniors who attend the Senior Center we're finding that...we're holding on with our fingertips trying to keep up with all of the programming and all of the many people who come into the Center everyday, so that request is vital to the operation of the Senior Center. We have a facility that is minimally staffed. We have our complement of four who are staff people that have been there for years and they're very experienced. Should we lose one of those staff people then we would really feel a real loss so the services will definitely be hurt if we do. The other thing I wanted to note when you see the comparison is that we're not talking a lot of money in the differences between the four scenarios and that means that it's not a great burden or demand upon the tax dollars. So, a full request of funding would be beneficial to the seniors of the community and it would not have much of an impact on our tax rate, if any at all.

Vice-Chairman Gatsas stated if we took that attitude with every department that came in here it would create a very large tax increase.

Ms. Vigneault stated yes but I agree that we are such a small department, we are very efficient and we are small so that increase is not such a big increase on the tax rate.

Vice-Chairman Gatsas asked are there any questions?

Alderman Lopez stated in the budget book it's \$313,615 the Mayor's recommendation and you had \$317,216 so what's the discrepancy?

Ms. Vigneault replied the only discrepancy in the Mayor's recommended budget is that we have in the Salary line item...all the other line items follow the '07 request. The Mayor's recommendation has the 4% cut that is across the Board for everyone for attrition but it also has the extra shortage for the remainder of that, that is where you'll find the difference between the two budgets.

Alderman Lopez stated what you presented to us...you had \$317,216 and it's \$313,615 in the budget book...can somebody help me there...Kevin, anybody?

Vice-Chairman Gatsas stated do you think that was the extra \$6,000 we took out of Contingency...must be some allocation for electricity.

Ms. Vigneault stated that is what you see in the presentation.

Alderman Lopez stated for '06.

Vice-Chairman Gatsas stated for '06.

Alderman Lopez stated in the '07 budget...

Vice-Chairman Gatsas stated she's got it in a different line item.

Mr. Kevin Clougherty stated if you look at what the Mayor has for Electricity.

Alderman Lopez stated so we add in the \$6,000 into the '07 budget.

Mr. Clougherty stated in the Mayor's presentation he did but in her budget she has it.

Vice-Chairman Gatsas stated he's got it in his line...if you look at her white sheet...then you take a look at the Mayor's number it's \$22,500 for Electricity. If you look at her request it's \$22,500...they're both the same. In this one here the Electricity the Mayor cut and I don't know who changed the recommended...why don't these two match.

Mr. Clougherty stated in the red binder or in the budget you're looking off, Mr. Chairman, that is what the official record is...I believe it's \$18,889. When they did their presentation of this white sheet they put it in at the Mayor's recommended \$22,500, so she just carried over her recommendation into the Mayor's recommended column.

Vice-Chairman Gatsas stated a difference of about \$4,000 so I would assume that the binder is where the Mayor is.

Mr. Clougherty stated right.

Vice-Chairman Gatsas stated they just did an assumption.

Alderman Lopez stated okay so we're going to work on the \$317,000, Kevin.

Mr. Clougherty stated the Mayor's recommendation is the \$313,000.

Alderman Lopez stated that's my point.

Mr. Clougherty stated his is the \$313,000...this sheet is just a summary.

Alderman Lopez stated so the official book then is \$313,615.

Vice-Chairman Gatsas stated correct.

Alderman Thibault stated I know that there's been an increase in people going to the Center, can you give me an idea of how much we're talking about...how much of an increase, a percentage...5%, 10%?

Ms. Vigneault replied 20% over the figure we had last year.

Alderman Thibault stated what you projected it would be, right? It doesn't make much sense to me when I see that we closed the Hanover Street Center because of what the costs were over there, we worked hard to get that Senior Center built on the west side at a cost of over \$3 million and now we're talking about cutting it back one or two persons, whatever. It doesn't make sense to me. How do you spend \$3.5 million and say after that you're going to fund it to what it has to get in order to entertain the people that are going there constantly. I just can't figure that one...I'm really hurt by that and I know that former Alderman Cashin and I worked very hard on that Senior Center and I would just hate to see any, any cut at all because of the way that it's going and whenever I do drop in there to see the parking lot full and I get complaints all the time about people that live in that area about cars parked in front of their houses because there's not enough room even in the parking lot and here we are we're thinking of cutting it. What did we build it for? I thought it was to help the seniors have a place to go, so I'm really upset about it and I hope that the Board listens to this and hears what I'm saying here. We spent over \$3.5 million to build a Center there for the elderly of the City and

now we're going to cut it down...we're going to tell them that they can't go there at certain times or whatever...I'm really upset about it. Thank you.

Vice-Chairman Gatsas asked are you saying that you're cutting back services there?

Ms. Vigneault replied no I said that if we...with the Salary line item, if we take the Mayor's recommended budget we will be short about \$9,000 in Salary.

Vice-Chairman Gatsas stated that's what I'm asking are you cutting back services to the seniors?

Ms. Vigneault replied the only services that that position would cover would cut back educational services there. We would have to be able to only do less educational classes.

Vice-Chairman Gatsas stated so if we gave you \$8,000 you wouldn't be cutting services.

Ms. Vigneault stated if we had that money we would not have to cut services, if we had enough money to keep the full complement.

Alderman Roy stated going along the same line but in a different direction what is the cost of that new position?

Ms. Vigneault replied the position salary itself would be about \$40,000.

Alderman Roy asked do you have a benefit number?

Ms. Vigneault replied yes...why don't you go to the next slide and we'll show the benefits...these are some of the programs that are offered at the Senior Center...this is where the \$1,000 comes in to the Mayor's recommended budget. Those are the benefit numbers right there.

Alderman Roy stated just for the additional...

Ms. Vigneault stated it's 36% of the \$40,000.

Alderman Roy stated you're using 36%. So, \$40,000 for a full-time employee plus 36% is included in that Salary and Benefit line item.

Ms. Vigneault replied right.

Alderman Roy stated which works out going in the other direction to about \$9,000 more than the Mayor's recommended...that's the addition, thank you.

Vice-Chairman Gatsas stated taking the \$313,615 adding to it \$8,854 the total is \$322,469 and that will be no cuts to seniors. Thank you. Remember next week yellow piece of paper...if you can think of any other cuts or any other revenues feel free to bring them forward to the Board. Do you charge for Bingo over there?

Alderman Roy stated just a clarification before you leave. The number you just used, Mr. Chairman, would that make an adjustment to the Electricity line item?

Vice-Chairman Gatsas replied I used the white sheet of paper that's in the book, the \$313,615 and added \$8,854.

Alderman Roy stated the \$8,854 is the difference for a full-time employee.

Vice-Chairman Gatsas stated that's correct.

Alderman Roy stated so according to the departmental request we're still short on your Electricity like you were in 2005 and we adjusted it through Contingency, is that correct?

Ms. Vigneault replied yes. That number last year was short because we had a credit from an efficiency that Public Service gave us for \$5,000 and we worked off that credit last year to pay the electrical amount so that's why we had the shortage this year because we weren't allowed to put anymore money into that line item. So, that's why we had to go back to Contingency.

Alderman Lopes stated we'll take care of the seniors.

Ms. Vigneault stated thank you.

Alderman Roy stated we'll keep your lights on too.

**d) Office of Youth Services:**

Vice-Chairman Gatsas stated you've already spent too much money with the covers, are you going to do a PowerPoint too. We don't need a PowerPoint.

Alderman Lopez reiterated we don't need a PowerPoint.

Mr. Martin Boldin, Director of the Office of Youth Services, stated I just wanted to point out that for today's presentation we received budget changes on Friday and those are reflected in the first sheet on the left-hand side. The previous report that we handed to you indicated that our Salary and Benefit for FY07 were \$702,033...the actual number is \$710,207. This has an impact on all of the proposals that we have to affected budget numbers.

Vice-Chairman Gatsas stated your department request in the white book, in the big book was \$629,146.

Mr. Boldin stated that number was also an error, Alderman. The actual budget request that we made at the end of the day was \$668,563 and since our meeting with the Mayor's Office have tried to get the white book fixed but we haven't been able to do that.

Vice-Chairman Gatsas stated give me the number again, please, just Salary.

Mr. Boldin replied the Salary is \$710,207.

Vice-Chairman Gatsas stated \$710,207, it's just the Salary line.

Mr. Boldin replied yes, Sir.

Vice-Chairman Gatsas stated so you're looking to increase from your 2006 budget...

Mr. Boldin stated we asked for an increase from \$553,705 to \$668,563.

Vice-Chairman Gatsas stated wait a minute...listen to my question...my question is your Salary line request for '07...just your Salary line, can you kindly give me that number.

Mr. Boldin stated for '07 it's \$710,207.

Vice-Chairman Gatsas stated so you're looking for a \$329,000 increase in your Salary line.

Mr. Boldin stated that's not the case; that doesn't account for the offsetting grant monies that we've had coming in over the last two years to offset...that number is \$152,973.

Vice-Chairman Gatsas stated okay let's try this again. The amount of money that you're getting from the General Fund this year...you have grant monies to pay for some of those positions.

Mr. Boldin stated correct. The amount that we're getting from the General Fund this year is \$553,705...that's our total budget from the City.

Vice-Chairman Gatsas stated so that it up some \$170,000 or two hundred somewhat thousand dollars from '06.

Mr. Boldin stated what we're asking for a total budget...

Vice-Chairman Gatsas interjected let's not use your sheet because you're confusing me, let's use the sheet that's in the book because that is the only one I know is legitimate. So, the sheet I'm looking at in the book your budget in '06 was \$380,747 for wages.

Mr. Boldin stated that's correct.

Vice-Chairman Gatsas stated and the request that you put in you're telling me is erroneous is \$429,478.

Mr. Boldin stated that is not the right number, correct and that's why I did my sheet was to fix errors that were in the book to try to get the actual bottom line number.

Vice-Chairman Gatsas asked is the '06 number right?

Mr. Boldin replied the '06 number is correct.

Vice-Chairman Gatsas stated so the '06 number is correct. So, I just said to you that if it's \$710,207 you're looking for an increase of somewhere around \$329,000 in wages.

Mr. Boldin stated taking away the \$152,973 that we get in grant monies.

Vice-Chairman Gatsas stated then you'd better subtract them from your \$710,000.

Mr. Boldin stated yeah.

Vice-Chairman Gatsas stated well do you want me to do the math for you...I have a calculator you just wait one second...\$710,207...what's your grant dollars?

Mr. Bolding replied \$153,973.

Vice-Chairman Gatsas stated so you're looking at \$557,234, is that correct?

Mr. Boldin replied I have \$602,037.

Vice-Chairman Gatsas stated well I'm just taking the numbers that he's given me here and that doesn't add up to that.

Alderman Lopez interjected I agree with you.

Vice-Chairman Gatsas stated if you take \$710,207 and you want me to subtract what?

Mr. Boldin replied \$152,973.

Vice-Chairman Gatsas stated \$152,973...\$557,234...this calculator hasn't been wrong in a long time.

Mr. Boldin stated you're right, I was adding in the administrative costs.

Vice-Chairman Gatsas stated so what I'm looking at is that number...the number that I'm looking at in '06 \$380,747...so that's an increase of \$176,487 in Salary...that's not part of your grant amount.

Mr. Boldin stated yes but that doesn't seem to reflect the reality of what we're doing maybe because on the number that you're looking at in the white book is just Salary and I put together Salary and Benefits.

Alderman Lopez asked did you get a copy of the official document that we have as it referred to the book?

Mr. Boldin replied yes...there had been a couple of errors in that and that's why I charted from the actual reports.

Alderman Lopez asked have you verified your numbers with the Finance Officer or Human Resources?

Mr. Boldin replied I've verified my numbers on Friday.

Alderman Lopez stated this is a little complicated...all of this stuff here...people come in with one page, I agree with the Vice-Chairman you probably saved some money on this but it is a hundred something thousand dollars increase over 2006.

Vice-Chairman Gatsas interjected oh let me do this for you...if I go to my white page and the Mayor's recommended is \$578,075...that's what his recommended is...if I add your \$152,973 in it comes out to \$731,048 which is about \$21,000 more than you need. If I cut the Mayor's budget by \$21,000 and let you do your grant amounts then we're home.

Mr. Boldin stated that's not accurate.

Vice-Chairman Gatsas stated okay.

Mr. Boldin stated what I did because the numbers on the white sheet were wrong was I went back and I added up everyone's salary, all of our administrative costs...

Vice-Chairman Gatsas asked, Ginny, do you have the sheet...what's his total department in salaries, did you run one, and I don't have it.

Ms. Virginia Lamberton, Human Resources Director, replied I just have the budget book I don't have anything more detailed than that.

Vice-Chairman Gatsas stated so that sheet that you had done...you had the other night for every department.

Ms. Lamberton stated oh sure I have that, I'm sorry.

Vice-Chairman Gatsas stated it's easier for you to find that me to find it through all of this white paper. What does his department show for gross wages and how many employees?

Ms. Lamberton asked do you want to add them up because they're not tallied?

Vice-Chairman Gatsas stated I can do that for you.

Ms. Lamberton stated the first number is \$29,744, next \$72,878, \$58,984, \$57,266, \$41,170, \$38,807, \$41,170, \$52,208, 77,603, \$38,300 and \$41,852...that's right now, this fiscal year.

Vice-Chairman Gatsas stated a full complement.

Ms. Lamberton stated I believe so.

Mr. Boldin stated yes.

Vice-Chairman Gatsas stated so that's your gross payroll, which doesn't include the grant money. So, if I took that number of \$549,982 and from that I subtracted \$152,973 I come out with \$397,009.

Mr. Boldin stated that's payroll without benefits.

Vice-Chairman Gatsas stated that's exactly what I said. So, that's basically right back where I took you and said if I take the Mayor's number and plug in \$152,973 we're going to come up with \$731,048 and from that I'm going to cut at least for starters \$731,048 minus \$710,207...going to cut \$20,841 from the \$578,075...\$557,234 and then we'll work on your budget...that's the number...do you have that, Alderman Lopez? I don't want you missing anything because I don't want you to think I'm doing something you're not listening to.

Alderman Lopez stated give me the bottom line again.

Vice-Chairman Gatsas stated I went to the big book, I used the number the Mayor has of \$578,075...took that number and I deducted \$20,841 because that's the number that shows that Mr. Boldin can live with in his line item...he's telling me he can live with \$710,000. If I added the numbers in I was at \$731,000...do you understand what I did? I took the \$578,000, I added this \$152,973 and then I deducted \$20,000...so I'm at a number of \$557,234.

Alderman Roy stated that's lower than any number that we've had out there so far, so I'm just getting my hands around your math but, Marty, the increases whether we're talking about our white sheet of paper, the big book...what I've got on the computer, what you've put down on this page it seems to be that you're arguing that there's discrepancies with your budget and the way it was formulated and I'd just like to give you a minute to touch on that just so that everyone is on the same page or gets there in the right amount of time.

Mr. Boldin stated what happened was when the budget negotiations started with the Mayor's Office those numbers were not the accurate numbers...we attempted to fix those numbers and up until we released the report to you on Friday we thought that the numbers that we had which were accumulated by looking at the salaries that were presented...the '07 salaries for everybody at the Office of Youth Services. After we left we sent the report to you on Friday we found out that those numbers were in fact in error. What I did very concretely was I added up every salary/benefit of each person at the Office of Youth Services and that number came to \$710,207...that was my starting point.

Alderman Roy stated okay let me interrupt you for a second...and so that \$710,000 should be reflected on this sheet.

Mr. Boldin stated on the sheet you received tonight...the top line at the top...Total Salary/Benefits Projection...for '07 is \$710,207...that's the number I have as of Friday.

Alderman Roy stated the sheet that you handed and this is where my concern starts...under the OYS request is \$702,033, under the 3% in Mayor Guinta's budget in FY06 that number is \$702,033.

Mr. Boldin stated I apologize because I thought we handed out the corrected ones tonight that say \$710,207.

Alderman Roy stated if we start with a good set of numbers we may be able to build you an accurate budget and get to the end of this, thank you.

Mr. Boldin stated exactly my point.

Alderman Lopez stated in all the confusion here I think we're throwing apples and oranges. If we deal with the budget and worry about the grants separately I think that's the main problem...everybody's got two different numbers here and with so many numbers being thrown around...Alderman Gatsas what number did you come up with?

Vice-Chairman Gatsas replied I'm sure Mr. Boldin will have an opportunity to come back with his yellow sheet of paper because the number I came up with just so that I'd give you the simple math again. The numbers that Ms. Lamberton read off totaled for wages \$549,982, of that Mr. Boldin told me that \$152,973 is from grant that he has, so I subtracted that number from the \$549,982 and I came up with \$397,009.

Alderman Lopez stated that's what I came up with. I just wanted to be certain.

Vice-Chairman Gatsas stated this calculator works...then what I did from there is I went down to the \$578,075 that's in the recommended...the total that it totaled out...if I added \$578,075 plus \$152,973 which is the grant amount the total came out to \$731,048. From that I deducted what he said he could live with of \$710,027 which was \$20,841...I deducted the \$20,841 from the \$578,075...came up with a number of \$557,234.

Mr. Boldin asked did you include our administrative costs in that last.

Vice-Chairman Gatsas replied I included what's in the Mayor's recommended and off your \$710,000 number.

Mr. Boldin asked I'm sorry but where are the administrative costs.

Vice-Chairman Gatsas stated administrative costs for?

Mr. Boldin replied depending on which budget you look at...44803 or 47...

Vice-Chairman Gatsas stated I don't go to anything that you showed me, I'm just going to this white sheet of paper and using the administrative costs that are there because I noticed that most of them are the same and it's on this white sheet of paper.

Alderman Lopez stated let me jump him, Ms. Lamberton you wanted to say something.

Ms. Lamberton stated, Marty, I have to say you're confusing me too. I want to know in your \$710,000 number does that include your proposed new positions here.

Mr. Boldin replied no...that number includes all the people that are working at the Office of Youth Services just now and the stipend for carrying a beeper for the alcohol...

Ms. Lamberton asked does that number include your...it looks like you're trying to upgrade some people through the budget process?

Mr. Boldin stated no that number is...the upgrades are \$74,700 and I added those across those four columns in the budget request at the bottom so that we could see the difference in the numbers from the four different numbers.

Alderman Lopez stated so the Spanish speaking...an upgrade is not part of your budget.

Mr. Boldin stated that is not a part of the \$710,207.

Vice-Chairman Gatsas stated the sheet that he gave us is impossible to work off because 3% doesn't get you \$710,000 from the '06 budget.

Mr. Boldin stated what happened was I went down to the bottom of that and I said these are the difference in the numbers so the differences in the number were

from...our request would have been zero had it been met, to meet a 3% reduction from FY07 would take \$64,943 below what a standard...

Vice-Chairman Gatsas stated that's from your '07 amount and not your '06.

Alderman Lopez interjected, Mr. Vice-Chairman, what I would recommend is that he get with the Finance Officer and give us a clean sheet of paper and work out the details...nothing fancy...take it like the Mayor gave us on one piece of paper so we know what we're doing.

Vice-Chairman Gatsas stated he's on his yellow sheet.

Alderman Lopez stated work it out with the Finance Officer and Human Resources.

Vice-Chairman Gatsas stated as far as I'm concerned you need to work off the \$557,234 and then from there you need to either say you've got revenues coming in or you can find additional cuts in your budget. Who's next?

Alderman Lopez stated I just want to make sure that Marty that you check with the Finance Officer to help you get a clear number to it and if there's any problem with that \$557,000 then you make it known to us on your yellow sheet of paper.

**e) Welfare Department:**

Mr. Paul Martineau, Welfare Commissioner, stated basically when I formulated this I expended...you've got to remember we were six month's into the fiscal year so what I thought I was going to have to utilize for different line items for assistance was greater than what nine months down the road is. We're spending about \$35,000 a month on assistance...the last three months we've averaged about \$15,000. So, that changes it because if you look I think I was looking for an increase of \$115,000...that's no longer valid. The Mayor's budget basically is the one that I'm looking at. We're short on that budget on the Salary and Benefits. The rest of it the lines items I can live within that...we're talking \$59,836...the impact is I have to lay one caseworker off for the whole year and another one off for about two-and-a-half weeks. I think I've given you information that our numbers are going up, I gave you a chart showing that we're presently projected for this year is going to be 8,220 like \$685/month, however, our assistance is at a 31% level.

Vice-Chairman Gatsas stated let me just understand what you just said in the beginning. What you said was that the \$1,387,201 you said that was high by \$115,000.

Mr. Martineau stated that was an increase from the 2006 of \$115,815.

Vice-Chairman Gatsas asked can I subtract \$115,000 from that number, is that what you're telling me?

Mr. Martineau replied basically I'm saying that's high...I'm still going to need...what I'm talking about is the Mayor's budget which there is a slight increase but I'm not concerned with the line item, I can live within that...it's the Salary and Benefits only.

Vice-Chairman Gatsas stated I subtract \$115,000 from the \$1,387,201...I come up with a number of \$1,272,201.

Mr. Martineau stated maybe I made a wrong...it should come out to the same as the '06...\$1,271,386, so maybe I made a mistake.

Vice-Chairman Gatsas stated I'm just using the numbers that are here...let's do them again...\$1,387,201 minus \$115,000.

Mr. Martineau stated \$115,815.

Vice-Chairman Gatsas stated okay I missed the 815.

Mr. Martineau stated it should bring you right back to \$1,271,386.

Vice-Chairman Gatsas stated so what you said is you're saying you can live with the '06 budget which is about \$15,000 than the Mayor's and you could move your wages in between any lines you want.

Mr. Martineau stated no I'm short on my wages...they went up.

Vice-Chairman Gatsas stated listen to what I just said. What you're telling me is that the \$2,271,386 is about \$15,000...you can live with that number...\$1,271,386.

Mr. Martineau stated what I'm saying is that initially when I projected my request of \$1,387,201 that that was high because at the time I was projecting what I'd been spending for six months.

Vice-Chairman Gatsas stated so if I subtract that \$115,815...that's what you want me to subtract from that \$1.386 million.

Mr. Martineau stated what I did was I basically said if you subtract that it brings you back to the '06 budget.

Vice-Chairman Gatsas stated so I'm asking if you take the \$1,271,386 and move it in any line items that you want because you said you were short in wages and I'm allowing you to move that number as a gross number just like we give the School District one number, we're giving you one number and telling you shake it out where you want to shake it out and put it back on the yellow piece of paper.

Mr. Martineau stated but I'm still going to be short \$59,136.

Vice-Chairman Gatsas stated you can't be because I'm giving you \$1.387 million and you're giving me back \$115,000 because you said it's \$115,000 high.

Alderman Lopez asked are there increases in there for.

Vice-Chairman Gatsas stated I'm using his requested number on the sheet that he gave us which I assume...hold on one second...it's exactly the same as the white sheet. So, if you're saying to me I'm giving you a check for \$1,387,201 and you're saying to me here's \$115,000 back because I don't need it all.

Mr. Martineau stated the increase is in the Salary line item so there is a difference there.

Vice-Chairman Gatsas stated let's just hold on one second. I just need him to tell me that the gross is the right number and then he can put the money where he wants. Okay, how isn't it?

Alderman Roy stated I'm going to ask you a loaded question off of your letter. If you were to fund the 2006 budget number and add in the \$65,609 in Salaries and Benefit line items that have gone up that's the number that you're talking about.

Mr. Martineau stated that's the number that I'm talking about.

Alderman Roy stated and you could live with the other line item budgets.

Mr. Martineau stated the \$65,609 has been reduced because yesterday I got the new corrected health and dental...comes down to \$59,836.

Alderman Roy asked what was that number again.

Mr. Martineau replied \$59,836.

Alderman Roy stated if you worked off of the 2006 number of \$1,271,386 and added in your Benefits and Salary line items that increased you'd be at \$1,331,221...that's what you could run your department on and keep the complement that you had in 2006.

Mr. Martineau stated when I was working off of the Mayor's budget he's given me an increase in there of roughly \$14,000 plus the \$59,000...so what we're talking for bottom line would be \$1,335,983.

Vice-Chairman Gatsas asked Paul do you have the white sheet...do you have this white sheet that was in our budget book, have you seen this one?

Mr. Martineau replied I don't know, I'm not sure.

Vice-Chairman Gatsas asked does somebody have an extra one...these two pages...because maybe that's where the confusion is. I'm using your department request and your department request...

Mr. Martineau stated basically on here it shows the Mayor's recommended budget...Vice-Chairman Gatsas stated no, no...let me use your request...that's what I'm working off of. On that sheet there I'm using your request that you've request \$1,387,201...if I gave you all of that what you said to me a little while ago was we were...you could return to me \$115,000.

Mr. Martineau stated no in the second comparison I was just showing what the difference is between my request and what my budget for 2006 was. I wasn't telling you what I needed. If you take \$1,330,593 off of my request it is \$51,218 less than my request.

Vice-Chairman Gatsas asked so the request that we see before us is not what you requested.

Mr. Martineau answered no because it has been adjusted. I made projections based on expenses for six months and the last three month's my assistance line item has averaged \$15,000 versus \$35,000 for the first six months. So when I got the Mayor's budget I looked at it and I said obviously I don't need all of that. I just looked at my salary line item and it comes out to \$59,836 added on to this budget, which is \$1,335,983 or \$51,318 less than what I requested.

Vice-Chairman Gatsas stated this has to be simpler. The \$1,387,201 that you requested was before you saw a reduction. So if I gave you that amount of money right now you would say to me you have given me \$115,000 too much?

Mr. Martineau responded no. The \$115,000 is simply taking the 3% cut and subtracting it from the previous year's budget. That is all it is. That was just to show you the increase is \$115,000. I didn't need all of the \$115,000. On the Mayor's budget he is giving me an increase of \$15,000 roughly but I need another \$59,836 so I can keep my salary and line items. So it comes out to basically \$1,335,983. I probably confused you in the beginning. I wasn't saying I didn't need that. I was just showing the difference and the point I wanted to make was the fact that I didn't need all of the \$115,000 because I had basically projected my expenses based on the first six months. I was doing this back in December. Three months down the road I am finding that instead of paying \$35,000 a month in assistance I am paying roughly \$15,000.

Vice-Chairman Gatsas asked where would I find that in the line item budget. Is it under rent?

Mr. Martineau answered it is overall. It includes rent, burials, medication, food vouchers, etc.

Alderman Lopez asked do you have the budget book.

Mr. Clougherty responded I just gave him my copy so he has it.

Alderman Lopez stated if I want to go to \$1.387 million again which is the department's request how much can we subtract from that since you indicated you only needed \$59,000 or something like that or do you need the total \$1.387 million.

Mr. Martineau responded no. What I am suggesting is \$1,335,983. That adds \$59,836 to the Mayor's proposed budget.

Alderman Lopez asked so that is the number for you to operate the Welfare Office. That is without losing anybody?

Mr. Martineau answered correct and the Mayor is always talking about efficiencies and I think what I sent you people is that my staff and my department if you talk about efficiencies I hope you read the whole thing. I have returned in the last three fiscal years something like \$469,891 to the general fund. I have also collected \$281,714 that has gone to general revenue and we implemented various cost saving measures. I think that we have been fiscally responsible and we are

seeing an increase in clients coming to our office. I finally have a good team. We are saving the City money. I am going to stay within my budget. I think it is only prudent that you finance what I need.

Alderman Lopez asked if you had to lose somebody under the Mayor's budget what is that going to do to your department.

Mr. Martineau answered well basically there will be one less worker for a year, which means it is going to put pressure on the other case workers to try to handle the applicants that are coming in. Obviously one of the complaints we get is they are saying that we have to be there for an extended period of time. In some cases they exaggerate but you can only do so much.

Alderman Lopez asked would it cost you more. Would you be able to handle those cases or would it cost you money to put these people up at hotels?

Mr. Martineau answered it is not a matter of putting them up at hotels. The biggest thing is verification. The application interview is 45 minutes to an hour but the thing is they probably spend about 4 or 5 hours verifying various information. We are faxing banks and previous employers and State Welfare. We are making calls to verify things. This is what has been...if somebody is coming in and misrepresenting we are not going to assist them. If somebody needs it we assist them but the thing is there is a verification that has to take place and that is what is time consuming.

Alderman Lopez stated I think the caseload over there if you lose somebody there is a possibility that a lot of these workers would find some other location if they had to double up and the pressure comes under a lot of these people over there. As in the past, there is a lot of pressure.

Mr. Martineau responded we are just going to have to handle the same number of people with one less worker.

Alderman Lopez asked so the number I am looking at is \$1,335,983.

Mr. Martineau answered correct.

Vice-Chairman Gatsas asked \$1,335,983 or \$1,334,983.

Alderman Lopez stated \$1,335,983.

Vice-Chairman Gatsas asked what is the management service.

Mr. Martineau answered that is Manchester Emergency Housing. That is where we place the homeless families. It is the non-profit that runs our homeless shelter.

Vice-Chairman Gatsas asked so you are taking that budget up \$36,000. You had budgeted \$180,000 for FY06 and you are looking for \$216,000 now.

Mr. Martineau answered well what was happening is under rentals every month we give \$3,000 to New Horizons and in the past there was some kind of an agreement that they were paying them based on the number of meals that they were giving out. What I did was it didn't really reflect rent per say so I moved it into management services so one is Manchester Emergency Housing and the other is for New Horizons. That is why it is \$216,000.

Vice-Chairman Gatsas asked where did you take the \$36,000 from.

Mr. Martineau answered from the rental line item.

Vice-Chairman Gatsas stated well your request was an increase so we should decrease that by \$36,000.

Mr. Martineau responded I think the Mayor did decrease it by \$36,000. The reason I had the \$290,000 was because based on what I was paying for rentals for the first six months it looked as though in this year's budget I was going to run over so I wanted to make sure I had enough to cover next year. I don't want to be coming back to you people saying guess what I'm short. Then it puts a hardship on all of the rest of the departments because they have to come up with the money.

Vice-Chairman Gatsas asked is your budget fully complemented.

Mr. Martineau answered yes Sir.

Alderman Roy stated switching to your revenue line item it was decreased I believe in your request and decreased by the Mayor by \$25,000.

Mr. Martineau responded I decreased it. That is an unknown quantity and I would rather be conservative than put in more than what I thought I would be getting.

Alderman Roy replied I appreciate your conservative nature. Our reports as of the end of March show that you are already over what was predicted for this year.

Mr. Martineau stated no I anticipated \$75,000 this year and I only have \$58,000. I am short.

Alderman Roy responded right but predicted for FY07 you have already met that. If we jump ahead 12 calendar months you have already met that in March is what I am saying to you. The \$50,000. What I would like to do is as we progress into the end of this month see where that number goes. I would rather see you try to achieve the \$75,000 and be off a couple of thousand dollars than end up with a \$7,000 to \$20,000 difference in the budget. If we are squeezing every nickel out of this budget we are going to need you to squeeze every revenue you can gain like you are doing this year.

Mr. Martineau replied that is what I have been trying to do right along. Like I said it is an unknown factor. At least part of that income is civil judgements that come through, Medicare reimbursement, property tax liens that we get. I can't predict that every year it will be X amount of money in property tax liens and X amount in civil judgement and so forth. I am willing to do that...obviously we can keep tabs on it and get a clearer picture in a couple of months and if I meet the \$75,000 I can up it to \$75,000.

Alderman Roy stated I would appreciate that.

Vice-Chairman Gatsas stated your revenues for FY05 were \$94,000.

Mr. Martineau responded yes Sir.

Vice-Chairman Gatsas asked any other questions. There were none. We have other things to talk about.

Deputy City Clerk Johnson handed out the report from the Special Committee on Solid Waste Activities.

Vice-Chairman Gatsas stated well this report has to go to the full Board and get voted on before we do anything here.

Deputy City Clerk Johnson responded no they are reporting to the Finance Committee because the Finance Committee is where the budget is.

Vice-Chairman Gatsas replied well that may be where the budget is but if the full Board doesn't recommend it then it is not coming here. This has to go to the full Board.

Deputy City Clerk Johnson stated other items have been referred directly to Finance in the past.

Vice-Chairman Gatsas stated all I am saying is I am still trying to figure out where we are going to move with the parking allocation because that is in a department. I am still trying to find out where we are moving with the enterprise fund and that is still being discussed in a Committee. My recommendation is that we be consistent and not bring things through here that we cannot do until the full Board recommends them.

Alderman Roy stated as Chairman of Solid Waste what we are looking to do is notify the Finance Committee, which every member of Solid Waste is on as well as notify the Committee on Bills on Second Reading that we would like this in for consideration. We are not asking you to approve anything this evening but asking you to...the same thing we are doing with the budget. Take it as a proposal.

Vice-Chairman Gatsas responded I understand but until it goes through the gamut. In Bills on Second Reading the public could come in here and say they don't want it.

Alderman Roy replied we are just making the Committee aware of where it is.

Vice-Chairman Gatsas responded I don't have a problem with that. I don't disagree with the policy. I am saying that before we have something before us it should go through the regular channels.

Alderman Lopez asked can I have a clarification. I think that if you take for example the parking that is in the Committee on Administration I think the Chairman did indicate that when we come out of there we are going to send it to the Committee on Finance. That is what we said we would do and all things should come through the Committee on Finance but if they realize that there are dollars in there instead of going through the BMA and coming back if the Finance Committee is not going to fund something then that's it.

Vice-Chairman Gatsas asked even if we agreed to fund it...if we agreed to fund it and it goes to Bills on Second Reading and the public comes in and I am not saying that they will but if they come in and say they didn't want it and this Board decided we weren't going to do it then what do we do.

Alderman Lopez answered I am not saying that we take action tonight. I totally agree with you. I think it is just notification to the Committee that this is an item that has been recommended. That's all.

Vice-Chairman Gatsas stated my recommendation is that we should hold this recommendation until we get to our blue sheet. That is when we can add it or subtract it.

Alderman Lopez replied I agree with you and I think the Chairman of Bills on Second Reading will have to take it up at some time.

Vice-Chairman Gatsas asked when is the full Board meeting.

Deputy City Clerk Johnson answered May 2.

Vice-Chairman Gatsas stated that should be before the full Board and then get right to Bills on Second Reading.

Deputy City Clerk responded it is already in Bills on Second Reading and they are meeting Thursday at 5:15 PM.

Vice-Chairman Gatsas stated I didn't now that. I thought this was something new from the Committee tonight. That's fine. Let's for a second switch gears to see...what I am planning on doing the week of May 8 is we have...does this Committee want to talk to the Traffic Department even though it is in Administration because we have to get some focus on where they are and what we are thinking of doing at least from a conversation point of view? If we don't do it pretty soon...

Alderman Lopez interjected I was told by the Chairman today that he was going to call a meeting next week and we would have an answer from the Committee as to their recommendation.

Vice-Chairman Gatsas stated okay then we will have to have them in at a later date. I am also trying to schedule the MTA for Monday night. That may be a little bit of a longer meeting but if we could get done as quickly as we did tonight that would be good. They should come in and talk to us.

Alderman Lopez asked the Library too.

Vice-Chairman Gatsas answered yes the Library is on Monday night and Finance is going to talk to us about the card.

Deputy City Clerk Johnson stated and Health.

Alderman Lopez stated we had some departments that we asked to come back. When do we expect them to come back like the Assessors, etc.?

Vice-Chairman Gatsas responded the Assessors I am going to try to keep for the latter part of the week of May 8. What I would like to do is schedule the week of

the 8<sup>th</sup> in 20 minute increments so every department can come back to us with their yellow sheet of paper and maybe they have thought of other reductions or revenues that they can bring us. We will start with the smaller ones and get those out of the way and maybe vote on each department as they come in with their budget.

Alderman Lopez stated when you give those instructions out make sure that it is simple so they don't come back with fancy stuff.

Vice-Chairman Gatsas replied well if they come back they endure whatever they endure.

Alderman Roy stated just a friendly suggestion. We have Monday at least on our original calendar starting at 7 PM. Could we start earlier?

Vice-Chairman Gatsas responded I don't have a problem with that to accommodate other people and I will talk to Carol.

Deputy City Clerk Johnson stated we have Lands and Buildings scheduled for that night. We can try to move them up.

Vice-Chairman Gatsas asked can you move them to 4:30 PM. How about if we schedule the Finance meeting right after the Committee on Lands and Buildings and if it ends at 6 PM or 6:15 we can get done right away. Do you think 6 PM would be fine? Okay, why don't we move it to 6 PM?

Alderman Garrity asked did you state earlier that we are going to take each department and vote on their budgets individually.

Vice-Chairman Gatsas answered I think what we should do is those departments come in and as we look at them and I am not saying this is a final vote but we should have an understanding of where we are as we are going through with the budget to whether we agree with those numbers or disagree with them so we understand where we are going. As I said to you in the beginning I am trying to build something as an entirety. Now maybe when we are done and put the numbers together we aren't going to agree.

Alderman Lopez stated we are going to try though.

Vice-Chairman Gatsas stated maybe we end up with a 5% cut. I don't know where those numbers are and that is why I am not trying to put them into a computer to see where we are. I think we have to come to some kind of generalization of where we are at. I think right now we are going to be close with

a tax cut just on the back of the envelope but maybe with some of the other things that may float around at the end on the blue piece of paper we will get there.

Alderman Shea stated what you are indicating is by my assumptions and I haven't got the yellow sheet of paper here but by your assumptions some of the budgets will be going up in terms of their falling within the 3% budget request and some of the budgets will be going down in terms of the 3% cut and what you are saying in essence is we should probably look at each one objectively and sort of say well in this case we are going to take the 3% but in this case we are going to take the Mayor's request and in this case we may not take either one and we may decide on...so we are kind of having what they call cherry picking in terms of how we are going to do this. Are we going to then have a full analysis of the 3% cut, the Mayor's proposed budget or what? This is where it becomes a little bit convoluted.

Vice-Chairman Gatsas replied as I said to you when we all first met, my approach is that we have 14 Aldermen working on a budget. If that budget consensus comes out and I am not using a 3% or the Mayor's number. If we come out with a number that 14 people agree to, whether that may be in one department 7% less than what the Mayor did and in some department 1% greater than what the Mayor did that is immaterial and the 3% was just there as a guideline for us to look at. As you can see I have not been leaning to that number.

Alderman Shea stated what I am trying to indicate is you are not indicating that 3% will categorize all departments. The Mayor's department is characterizing everything. It is a genetic budget. Your budget would be predicated upon how much that particular person requested vis a vie how much that impact would be in terms of laying off people or programs or whatever. So this is where it becomes necessary when we discuss this that people understand fully how they are going to vote on a particular matter. That is the only thing I am saying.

Vice-Chairman Gatsas stated I am not looking to etch anything in stone by any department. I think that once they come back with a yellow piece of paper we have a clarity of what they can live with and what they can't live with. Now whatever that number is it is going to be our responsibility that once we put them on a piece of paper it is X amount of dollars to the taxpayer. I want to make sure that we have done our job here as elected officials to make sure we understood what we put down on paper for budgets and that we can justify every nickel in every department. I think we have done a great job at doing that. I think the questions have been adequate. I think that everybody has understood that. I think this is the first time we have ever taken this approach and maybe it is going to be a different result.

Alderman Shea asked when the budget comes back with a yellow paper the Mayor has indicated what will transpire if his budget is followed. The 3% as well will characterize I guess those changes within the department so that we understand fully if somebody approves one type of situation vis a vie another type of situation. You are in agreement with that I'm sure.

Vice-Chairman Gatsas answered I am trying to look at each department independently without the mix of \$115 million or \$140 million on the table. I am trying to build a budget that we are all looking at and understanding where we are at. Now you may agree that Youth Services should get another \$200,000 and the consensus may be that he can live within this number, which may be a number as you can see is a number that I have on a piece of paper that is less than where the Mayor was. So we may be in some positions less than the Mayor's budget because we have taken a different approach on how to get to that number. In some places as we did when we looked at the Senior Center we were about \$8,000 more than the Mayor. At least we can justify why we went there.

Alderman Shea stated well \$8,000 isn't really...

Vice-Chairman Gatsas interjected right and \$266,000 less in the Solicitor's Office than where the Mayor was.

Alderman Shea stated whatever. We will see where the chips fall.

Vice-Chairman Gatsas stated I think that the difference of what we are doing is we are looking at each department and we are not seeing one sheet with every department on it so that we can start plugging in numbers to see what happens. I think that we justified building a budget.

Alderman Lopez stated I agree with what you are saying. I think in the end so that we have the whole picture we will have a budget sheet presented to us like we had when the Mayor presented the budget.

Vice-Chairman Gatsas stated if you think we can do it a different way, I don't have a different tactic. I agree with you. In the last hour we will have a budget sheet that is presented to us as the Mayor did that will have the numbers on it. There are still multiple tasks that we have to look at. The Veteran's exemption. The Senior exemption. The overlay account. All of those things. Everything has to be looked at.

Alderman Lopez replied that is what I was just going to say. When are we going to have those discussions? When do you think?

Vice-Chairman Gatsas responded hopefully if we can get them done the week of May 8...now I have asked people...I thought we had a great day on Saturday but a lot of people don't want to come back on Saturday but I find that is the time we can be most productive and get things done.

Alderman Lopez stated I don't know if people don't want to come in on a Saturday but I think at some point after May 8 we have to make some concrete decisions on a lot of things.

Vice-Chairman Gatsas stated I think after May 8 and 9 when everybody comes in with that yellow sheet we are going to have a pretty good idea of where we stand. Then it is just revenues. My suggestion to this Board is that we start thinking about revenues because that helps the pain everywhere.

Alderman Lopez responded I understand that but let's say for example that some of the...are we going to attack this as a budget or as a policy in reference to let's say we attack the budget and add back the Chief Negotiator or are we going to take a separate vote on that.

Vice-Chairman Gatsas replied I am sure that when people have completed their budget...they may be reflected much different than what I tried to do. I have tried to incorporate 14 people sitting down at a table as you would in any business and build a budget.

Alderman Lopez asked with that if we put the money in there for the Chief Negotiator...

Vice-Chairman Gatsas interjected if that is the will of 10 people and 4 people don't believe that should happen that is going to be a vote then. What you are going to see as we go through is that three different budgets might come into play.

Alderman Lopez stated the other question I have and it is food for thought as to when we are going to do this. I have already talked to Kevin but the salary adjustment account. We need to have a definition and an ordinance as to what the salary adjustment account is. We don't have to make that decision tonight but I think it is important that it not become an account so when somebody needs overtime they run to us for it. I don't believe that is the intent of the account. I think that we need some clarification. I have known Kevin and worked with him for six years and I am going to tell you that if it is not in writing we will have problems as we go down the road. So I would like to see an ordinance in reference to the salary account so that we all agree on what type of money can come out of there.

Vice-Chairman Gatsas stated remember. We started with a white sheet of paper and when we are complete we are going to be on a blue sheet of paper. That will be our salary adjustment of what we believe is in the budget.

Alderman Lopez replied but there has to be an ordinance.

Vice-Chairman Gatsas responded look. This is a democracy so we all have a vote. There is no question about that.

Alderman Lopez stated I just want to clear that up. There are decisions we have to make before we get to the final analysis.

There being no further business to come before the Committee, on motion of Alderman Garrity, duly seconded by Alderman Smith, it was voted to adjourn.

A True Record. Attest.

Clerk of Committee